

# City Manager's Proposed FY2023 Annual Operating Budget

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**CITY OF STATESBORO**

**MAY 2022**

# City Council 2022-2023 Budget Review 5/10/2022 3:00PM

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1. Call to Order by Mayor McCollar
2. Budget Overview
3. Revenue Review
  - a.) General Fund
  - b.) Enterprise Funds
4. Expenditure Review
  - a.) General Fund
  - b.) Enterprise Funds
5. General Discussion
6. Adjournment

# FY2023 Budget Objectives

- ▶ Retain and Recruit Talented Employees
- ▶ Emphasis on Redevelopment
- ▶ Tax Base and Revenue Growth
- ▶ Enhance Public Safety

# FY2023 Budget Highlights

- ▶ 16.1% Total Increase from FY 2022 Amended
- ▶ 12.91% General Fund Increase
- ▶ Presenting a Balanced Budget with No Fee and No Rate Increases

# Compensation & Benefits Highlights

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- ▶ 4% Pay Plan Adjustment due to Inflation
- ▶ Pay for Performance for Employees
- ▶ No Increase in Employee Premiums
- ▶ Increase Employee Annual Bonus to \$500
- ▶ Add Good Friday Holiday



# Current & Future Opportunities

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- ▶ Promote Regional Identity
- ▶ Grow Our City Center
- ▶ Keep Pay Plan Up to Date
- ▶ Advance a Creative, Inclusive, and Professional Culture

# Concerns & Unknowns

- ▶ Significant Amount of Fund Balance in General Fund Necessary to Balance Budget
- ▶ Nearly 25% of the total assessed value for real and personal property is non-taxable
- ▶ Old Register TAD Refinance

# FY2023 Budget in Brief

Fund	FY2022	FY2023
General Fund	\$ 18,142,686	\$ 20,484,853
Confiscated Asset	\$ -	\$ -
US DOJ	\$ 30,000	\$ 30,000
ARPA	\$ -	\$ 5,900,000
Multiple Grant	\$ -	\$ -
Fire	\$ 4,560,298	\$ 5,311,546
South Main	\$ -	\$ -
Old Register	\$ 104,025	\$ 104,025
Hotel Motel	\$ 750,000	\$ 1,100,000
Tech Fee	\$ 60,000	\$ 20,000
2013 SPLOST	\$ 2,556,279	\$ 400,000
2018 TSPLOST	\$ 5,076,000	\$ 4,455,000
2019 SPLOST	\$ 3,863,000	\$ 4,980,000
CIP	\$ 76,000	\$ 321,500
WS	\$ 9,007,935	\$ 9,452,477
Capital from Revenues	\$ 1,301,500	\$ 3,970,000
Capital from Loans/Grants	\$ -	\$ 4,200,000
Stormwater	\$ 854,932	\$ 839,735
Capital from Revenues	\$ 100,000	\$ 500,000
Natural Gas	\$ 3,970,633	\$ 4,394,240
Capital from Revenues	\$ 505,000	\$ 2,480,000
Solid Waste Coll	\$ 3,812,977	\$ 4,313,395
Capital from Revenues	\$ 375,000	\$ 580,000
Solid Waste Disp	\$ 3,705,073	\$ 4,140,980
Capital from Revenues	\$ 35,000	\$ 1,600,000
Health Insurance	\$ 4,290,120	\$ 4,407,500
Fleet	\$ 649,902	\$ 737,588
Well Fund	\$ 19,450	\$ 70,500
Central Services	\$ 1,090,466	\$ 1,385,899
<b>Total Expenses All Funds</b>	<b>\$ 75,031,019</b>	<b>\$ 86,179,238</b>
Less Internal Funds Expenses	\$ 6,079,938	\$ 6,601,487
Less Transfers Between Funds	\$ 5,792,052	\$ 6,235,182
<b>Total Expenditures</b>	<b>\$ 63,159,029</b>	<b>\$ 73,342,569</b>
<b>Total Capital FY 2023</b>	<b>\$ 23,982,522</b>	<b>\$ 29,386,500</b>
<b>Total Operating FY2023</b>	<b>\$ 39,176,507</b>	<b>\$ 43,956,069</b>



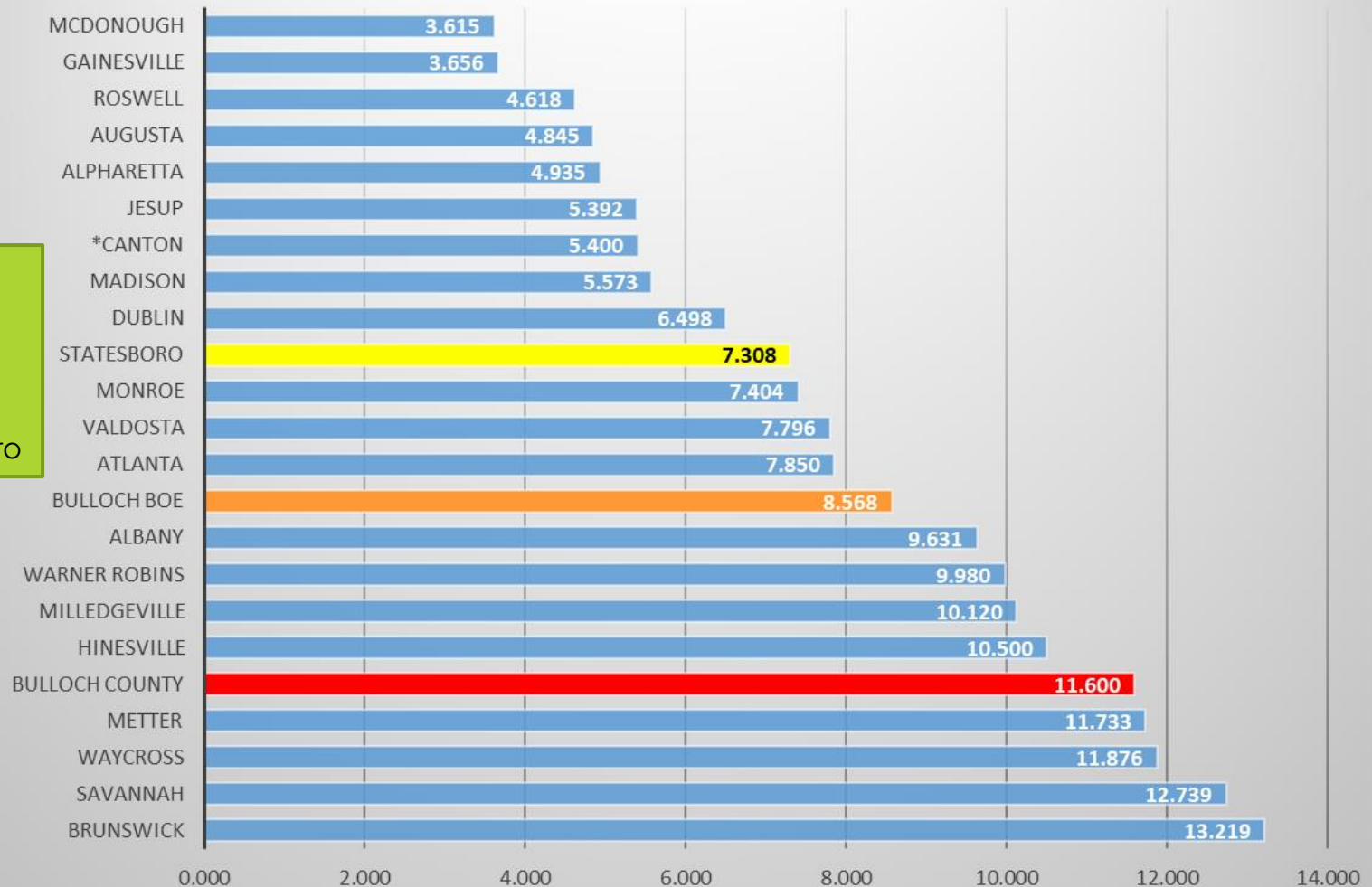
# Revenue Trends

- ▶ 8.6% Overall Increase in General Fund Revenues
- ▶ 7% Property Tax Digest Growth
- ▶ Franchise Fees Remain Flat

# Property Tax Millage Rates

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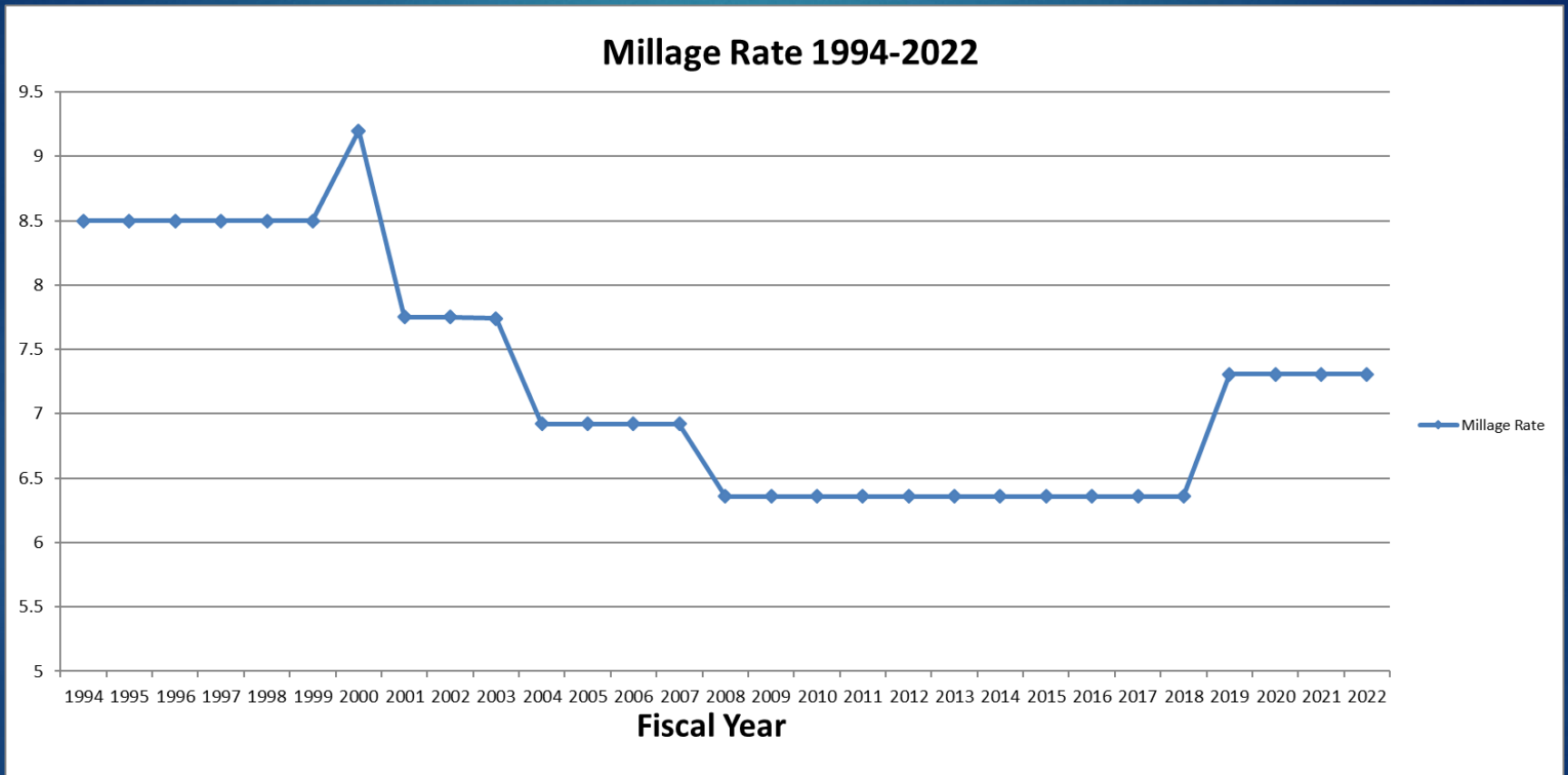
## FY2022 Millage Rates In Georgia



\* Canton is the only other GA City not receiving LOST; Canton's property values are 87.5% higher than Statesboro

# Statesboro Millage Rate History

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Highest Rate: 9.2 mills in 2000

Lowest Rate: 6.358 mills from 2008-2018

# Current Local Property Millage Rates

## **Bulloch County**

- 11.60

## **Board of Education**

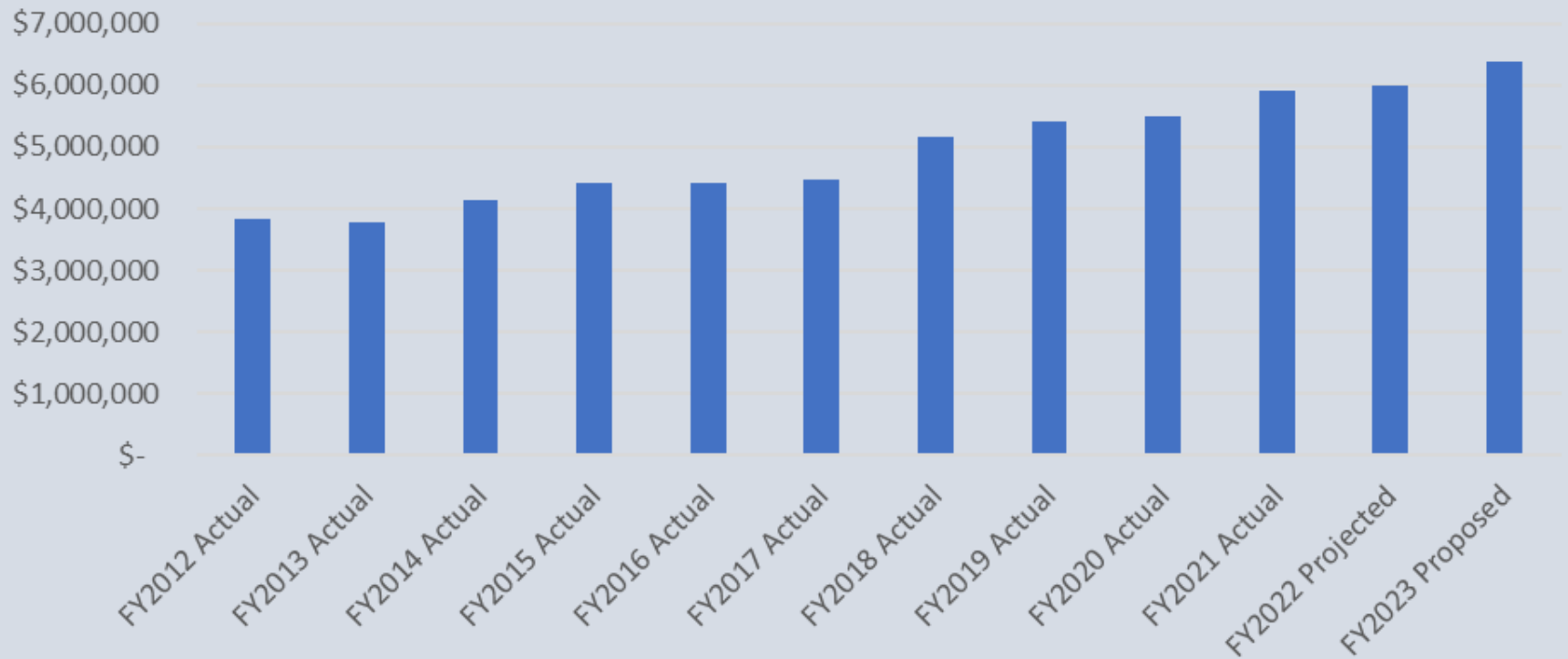
- 8.568

## **City of Statesboro**

- 7.308

# Property Tax Revenue

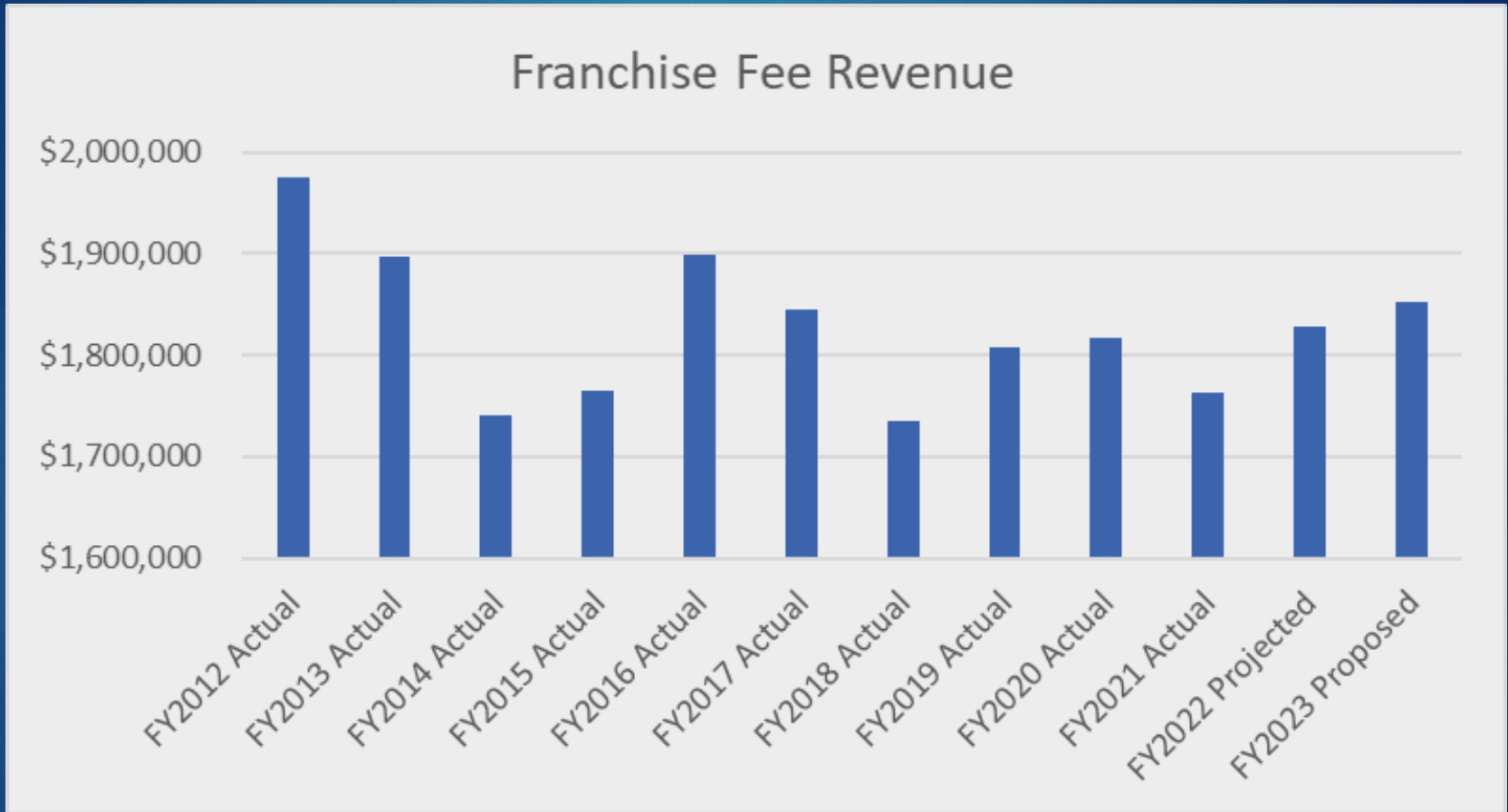
### Real & Vehicle Property Tax Revenue, General Fund



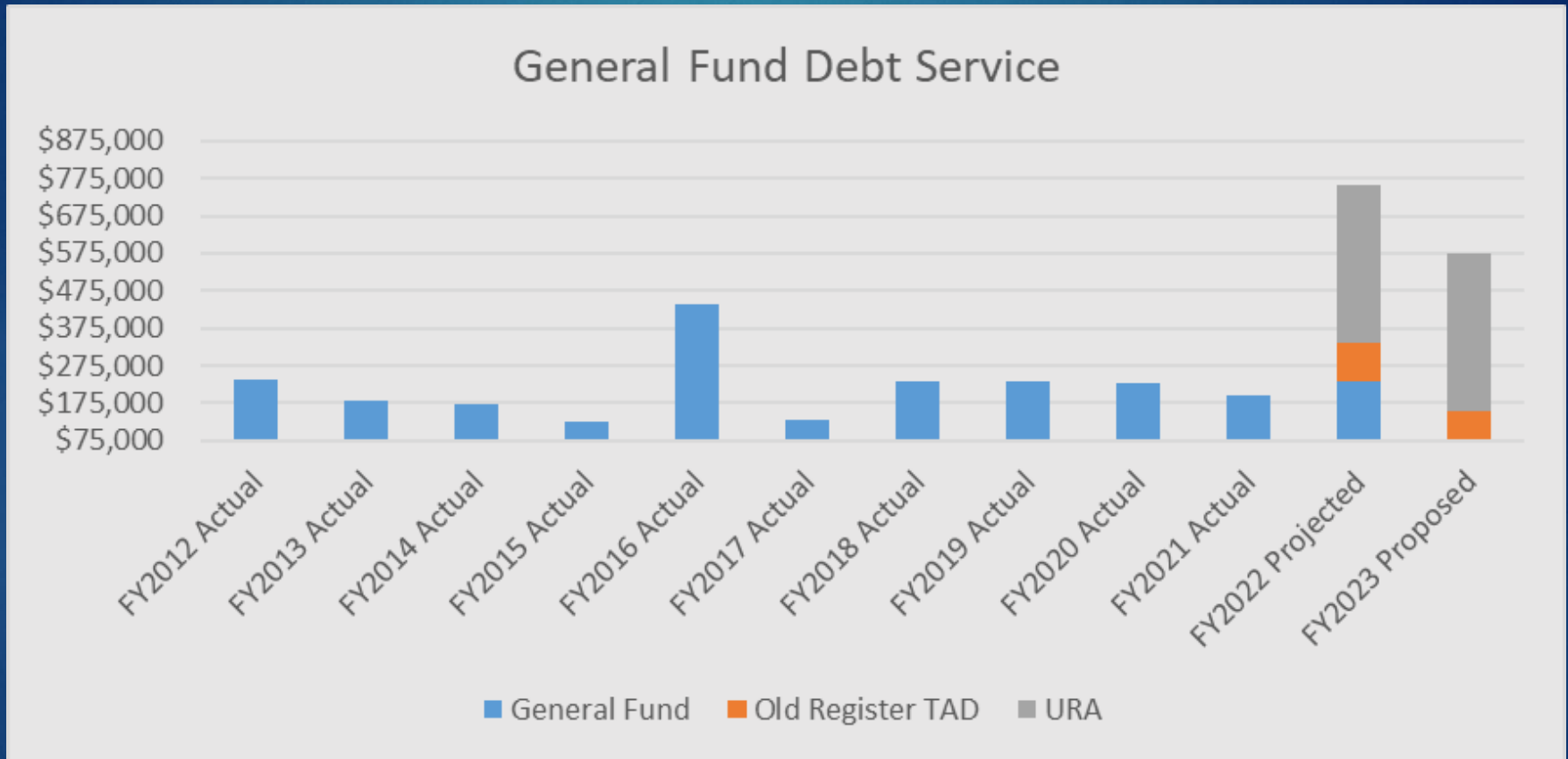


# Franchise Fee Revenue

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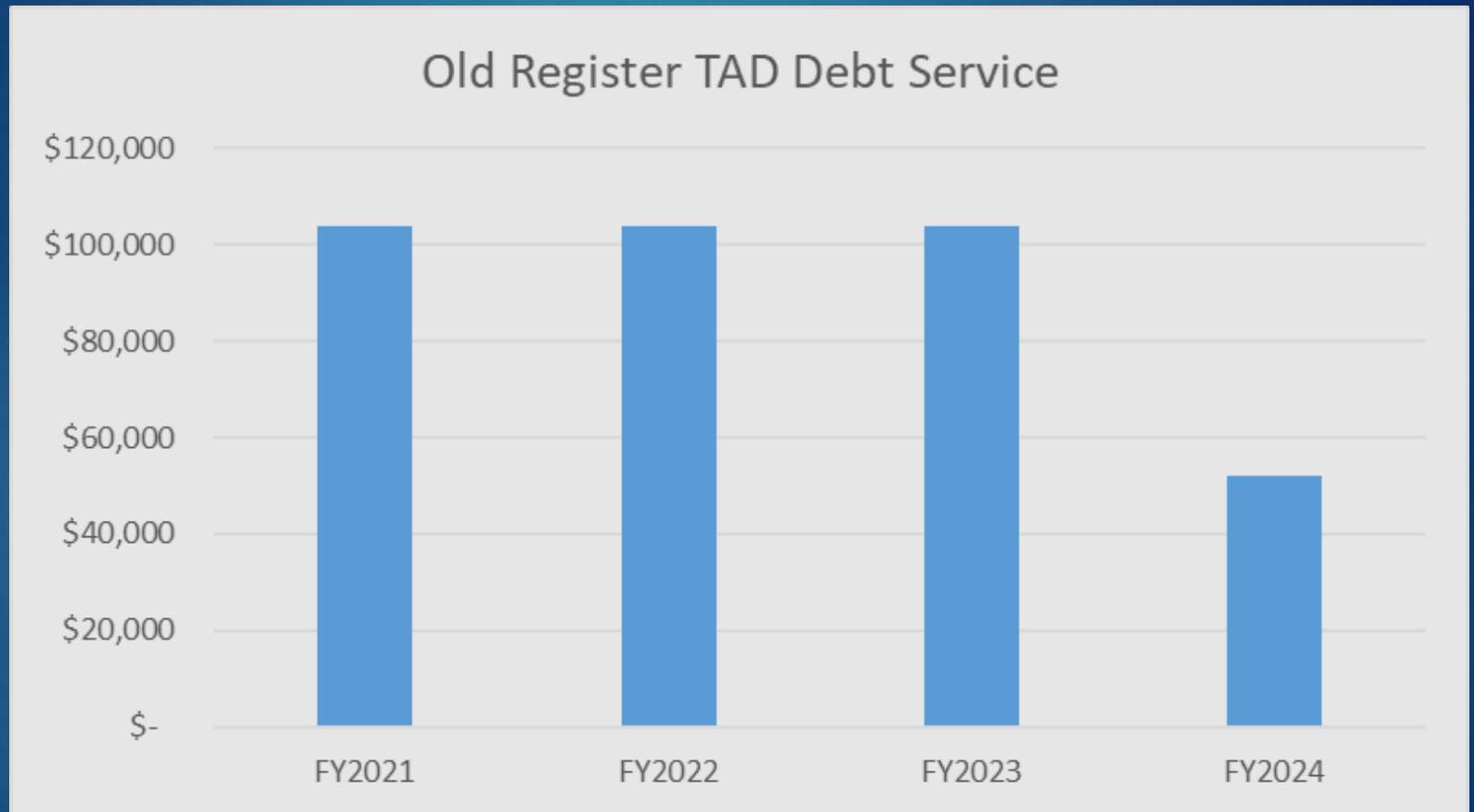


# General Fund Debt Service



# Old Register TAD Debt Service

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# Balancing the Budget

- ▶ \$2,062,653 in Fund Balance used  
To Balance the General Fund
- ▶ \$339,246 in Fund Balance Used  
To Balance the Fire Service Fund

# Fund Balance Comparison

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Fund	FY2020 Ending Fund Balance	FY2021 Ending Fund Balance
General Fund	\$ 7,110,164	\$ 8,545,385
Fire Fund	\$ 831,872	\$ 1,503,758
Water and Sewer Fund	\$ 7,799,625	\$ 8,740,872
Stormwater Fund	\$ 55,257	\$ 925,836
Gas Fund	\$ 3,925,199	\$ 4,563,067
Solid Waste Collection Fund	\$ 2,890,907	\$ 3,687,382
Solid Waste Disposal Fund	\$ 1,309,304	\$ 941,645
Total	<u>\$ 23,922,328</u>	<u>\$ 28,907,945</u>



# General Fund Highlights

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- ▶ Business Recruiter (\$75,000)
- ▶ Events Manager (\$50,000)
- ▶ 2 New Police Officers, Equipment and Cars  
(Police Chief is authorized to over hire by 4)
- ▶ New Administrative Assistant for Human Resources  
(This position is funded for six months)
- ▶ Full Year of Dispatchers  
(4 in General Fund; 4 in Fire Fund)

# General Fund Highlights

(continued)

- ▶ Continue Funding of Ordinance Updates
- ▶ 63.9% of the General Fund Budget is Salary and Benefit Costs
- ▶ Increase transfer from General Fund to Fire Fund

# Public Safety Highlights

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- ▶ Year three of the Five Mile Fire District Agreement with Bulloch County
- ▶ SAFER Grant application for 12 additional Firefighters
- ▶ Fire Station 3
- ▶ Full Year of Funding for 8 Dispatchers

# Proposed Fund Appropriation Levels

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	FY2022 Adopted Budget	FY2022 Amended Budget	FY2023 Proposed Budget	Difference from FY 2022 Adopted
General Fund	\$ 18,142,684	\$ 18,142,686	\$ 20,484,853	12.9%
Fire Fund	\$ 4,560,298	\$ 4,560,298	\$ 5,311,546	16.5%
General Capital Fund	\$ 76,000	\$ 76,000	\$ 321,500	323.0%
Water and Sewer Fund	\$ 9,007,935	\$ 9,007,935	\$ 9,452,477	4.9%
Stormwater Fund	\$ 854,932	\$ 854,932	\$ 839,735	-1.8%
Gas Fund	\$ 3,970,633	\$ 3,970,633	\$ 4,394,240	10.7%
Solid Waste Collection Fund	\$ 3,812,977	\$ 3,812,977	\$ 4,313,395	13.1%
Solid Waste Disposal Fund	\$ 3,697,573	\$ 3,705,073	\$ 4,140,980	12.0%
	<u>\$ 44,123,032</u>	<u>\$ 44,130,534</u>	<u>\$ 49,258,726</u>	<u>11.6%</u>

# Statesboro Fire Service Fund

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**\$5,311,546**

- The SAFER Grant will not require a match for three years.
- Includes 4 new Communication Officer positions.



# General Capital Fund

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**\$136,500 – 2 Police Vehicles (new officers)**

**\$185,000 - GMA Lease Pool**

- Street Division - replacement truck (\$50,000)
- Government Buildings – new vehicle (\$30,000)
- Parks Division – replacement of dump bed truck (\$75,000)
- Planning – replacement vehicle (\$30,000)

# Water & Sewer Fund

25

**\$9,452,477**

- No fee increases
- Water and Sewer Rate analysis should be completed and presented to the Mayor and City Council by July.

# Stormwater Fund

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## \$839,735

- No fee increases
- Establish a reserve
- Continue to meet increasing operating demand
- Implement essential capital projects
  - MLK Drainage Basin (CDBG)
  - Northlake Area Watershed Detention Facility

# Natural Gas Fund

27

**\$4,394,240**

- No fee increases
- Continue pursuing opportunities for expansion and system growth
- Continue to support fleet compressed natural gas initiatives

# Solid Waste Collection Fund

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**\$4,313,395**

- No fee increases
- Continue to meet increasing roll off service demand
- Increase transfer to General Fund



# Solid Waste Disposal Fund

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**\$4,140,980**

➤ No fee increases

# Capital Project Priorities

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- ▶ Zoning & Development Ordinance Amendments  
\$105,000 (General Fund); \$45,000 (Stormwater Fund)
- ▶ City Hall & Joe Brannen Hall/HR  
\$800,000 (2019 SPLOST)
- ▶ Employee Health Clinic  
\$250,000 (2019 SPLOST)

# New Initiatives

- ▶ Children's Zone Project
  - Program Manager
  - Two Interns

# Fund Balance and Millage Rate Discussion

1 Mill = \$693,000

# Questions?

Public Hearing: June 7

Budget Adoption: June 21